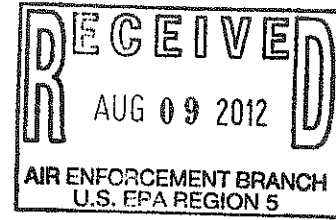


August 8, 2012



Ms. Eileen L Furey
Acting Chief
Air Enforcement and Compliance Assurance Branch
United States Environmental Protection Agency
Region 5
77 West Jackson Blvd
Chicago, IL 60604-3590

RE: Veolia ES Technical Solutions, L.L.C.
Sauget, IL
Comprehensive Performance Testing

Dear Ms. Furey,

I received your response to my letter dated July 23, 2012.


Veolia and those involved at EPA in the agreement between the two parties fully understood the agreement made in 2008 and the spirit of the agreement. In mid-2008, Cheryl Newton, the Acting Director, had concerns about the limited existing metals data available for Veolia. Ms. Newton expressed those concerns to Veolia. Veolia had no legal obligation to conduct metals testing at that time, however, Ms. Newton expressed her desire for an additional round of metals testing prior to the issuance of the Title V Permit. In an effort to work with and alleviate Ms. Newton's concerns and in spite of the additional expense to Veolia due to the need to perform the testing in an expedited fashion, Veolia agreed to perform such testing as long as the testing had no long term negative effect on Veolia (assuming the testing was properly conducted and the results were acceptable). EPA assured Veolia the early metals testing would have no long term negative effect on Veolia.

Since conducting the 2008 metals testing, Veolia has admittedly and, at times, inartfully referred to the testing as "data in lieu". Veolia's error in language should not obscure the fact that both Veolia and EPA understood at the time the tests were conducted that the tests were conducted with the understanding that Veolia, by conducting the tests with the assumptions stated above, would not be in a worse position than it would have been had it not conducted the tests on the faster schedule. EPA, by demanding that Veolia use the metals test date – August, 2008 – as the date from which to calculate future testing, places Veolia in a materially worse position today than it would have been had Veolia not voluntarily conducted the metals tests when Ms. Newton requested. EPA's demand is therefore inconsistent with its 2008 agreement with Veolia. EPA's position not only violates the agreement, but also is inconsistent with common sense. No rational company would ever voluntarily test (at significantly greater expense than the cost of testing in the ordinary course) if the result was still more unnecessary expense five years later, clearly a negative impact on the company.

Veolia understands it must continue to strive to work with EPA. With this in mind, Veolia contacted Sarah Marshall and expressed a desire to meet with EPA to reach a satisfactory resolution of the outstanding issues. Ms. Marshall assured Veolia that she would endeavor to set up a meeting, however, the only response Veolia has thus far received from EPA is the August 3, 2012 correspondence, which does not respond to the request for a meeting. Veolia continues to believe a meeting with EPA will provide valuable understandings that can help to guide and, perhaps, reestablish a trust between the parties moving forward. Veolia therefore once again seeks a meeting with EPA at its earliest convenience and respectfully requests former Acting Director, Air and Radiation Division, Cheryl Newton, and Acting Director, Air and Radiation Division, George Czerniak, be present as they were when the 2008 agreement was made.

I will contact Sarah Marshall to set up the details of the meeting in order to discuss the issues related to the 2008 agreement. Given the importance of these issues to the schedule for CPT testing, this meeting must take place by no later than August 15, 2012 to avoid further prejudice.

Sincerely,



Doug Harris
General Manager

C: Ray Pilapil, Manager
Compliance and Systems Management Section
Bureau of Air, Illinois Environmental Protection Agency